

TO: State Directors
Rural Development

ATTENTION: Multi-Family Program Managers

FROM: James C. Kearney
Administrator
Rural Housing Service

SUBJECT: On Farm Labor Housing Support Materials

PURPOSE/INTENDED OUTCOME:

The purpose of this Administrative Notice (AN) is to issue guidance on the support materials required to comply with the recent court order in Roman vs. Korson. The intended outcome is to provide information needed to meet the court order and to demonstrate whether or not the provisions of the court order are being met.

COMPARISON WITH PREVIOUS AN:

There is no other AN providing comparable provisions. However, this AN does supplement the provisions set out in AN 3526 (1930-C), dated April 10, 2000. .

IMPLEMENTATION RESPONSIBILITIES:

The reporting information contained in this AN is needed to carry out a court order. The court order is published as Attachment F of AN 3526 (1930-C), dated April 10, 2000. The last element of the court order required supporting materials for each borrower be provided to supplement the quarterly reporting material required to be reported by Attachment E of AN 3526 (1930-C).

Effective immediately, the attached report will be completed on a quarterly basis. The first report must be prepared to reflect information as of June 30, 2000. Negative reports are required. The reporting information is due for receipt in the National Office within 30 days of the ending report date (e.g., for the June 30, 2000, report information must be submitted prior to July 31, 2000).

EXPIRATION DATE: June 30, 2001

FILING INSTRUCTIONS:
Preceding RD
Instruction 1930-C

Reporting information should be sent to the Attention of Melba L. Swarey in the National Office. The material may be sent via mail for receipt by the due date or by fax or e-mail. The fax number is 202-720-0302. The material may be sent via e-mail to the following: mwarey@rdmail.rural.usda.gov. The information reported will be provided to the Department of Justice, the plaintiffs, and the court.

It is critical that the Agency fulfills its servicing responsibilities. The court has ruled that the Agency is not carrying out its servicing responsibilities. This record is not acceptable and must be corrected.

In short, the court rulings indicate that the Agency is not forwarding the written servicing letters as required. In addition, the court rulings indicate that the Agency is not being successful in getting results from its letters demanding that the borrower credit or rebate unauthorized shelter cost changes retroactively to these tenants. Information supplied by field offices reflect a very low number of borrowers issuing credits or rebates to affected tenants, and a very low dollar amount of credits or rebates delivered to these tenants. When a borrower is unable or unwilling to comply with an Agency demand to credit or rebate unauthorized assistance to tenants retroactively, this information must be reported to the State Office along with a recommendation for servicing.

The Administrator of Rural Housing Service, and the Under Secretary of Rural Development will be advised if any State Office fails to submit a timely report.

Questions concerning the provisions of this AN or concerning servicing advice may be directed to James E. Vollmer of our staff at 202-720-1060.

Attachment

**REPORT OF ON-FARM LH BORROER COURT ORDERED
SERVICING EFFORTS**

As of _____

State

Borrower Name

Case Number

Date of First
Servicing Letter

Date of Second
Servicing Letter

Date of Third
Servicing Letter

Date of Problem
Case Report

Amt. of Improper
Charges

Amount of RHIF
Payment Requested

Amount of RHIF
Payment Made

Are objectives of Court Order regarding rebates and credits being met? ☐ Yes ☐ No If no,
explain giving plans for future action

Prepared by: _____
(Signature)

Date: _____